



KENAI PENINSULA BOROUGH

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VIA "PUBLIC CONNECT" AND U.S. MAIL

**JOHN J. WILLIAMS
BOROUGH MAYOR**

September 26, 2006

Ms. Renee Orr
5-year Program Manager
U.S. Minerals Management Service
381 Elden Street, MS 4010
Herndon, VA 20170

Re: Proposed OCS Oil and Gas Leasing Program 2007-2012

Dear Ms. Orr:

I am writing you today in support of the inclusion of the Special Interest Cook Inlet OCS lease sales 211 and 219 in the proposed OCS Oil and Gas Leasing Program for 2007 through 2012. This support is based on KPB Resolution 2001-127 that adopted the five provisions of the Tri-Borough Position Paper that represent five critical issues that the Kenai Peninsula Borough believes were initially addressed through the OCS Environmental Impact Statement, and that must continue to be addressed by the provisions of any resulting OCS lease agreements and permits issued by all federal agencies, and through current and future Congressional legislation. These positions include:

- No offshore loading of tankers
- Specific plans to minimize and avoid commercial fishing gear conflicts with the exploration and development of oil
- The oil exploration company must have adequate spill prevention and response capability
- Identification of critical habitat areas
- Provision for local government revenue sharing

The Kenai Peninsula Borough also supports improved lease terms and incentives to encourage new oil & gas exploration within the OCS lease area. The economic and resource potential of the OCS is substantial and those resources should be explored and developed in a manner that benefits the economies of the Cook Inlet Basin while maintaining reasonable and appropriate environmental protection standards for OCS oil & gas exploration, development and production activities.

Sincerely,

John J. Williams, Borough Mayor